

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name LASALLE TOWNSHIP	County MONROE
Audit Date 3/31/05	Opinion Date 6/16/05	Date Accountant Report Submitted to State: 9/23/05	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- | | |
|---|---|
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95). |

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	✓		
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) COOLEY HEHL WOHLGAMUTH & CARLTON, CPAS, PLLC			
Street Address ONE SOUTH MONROE STREET		City MONROE	State MI
Accountant Signature <i>Cooley Hehl Wohlgamuth & Carlton</i>		ZIP 48161	Date 9/23/05

LASALLE TOWNSHIP
Monroe County, Michigan

ANNUAL FINANCIAL REPORT

March 31, 2005

LASALLE TOWNSHIP

Table of Contents *March 31, 2005*

Independent Auditor's Report	1-2
Management's Discussion and Analysis	3-9
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Assets	10
Statement of Activities	11
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	12-13
Reconciliation of the Balance Sheet of Governmental Funds to the	
Statement of Net Assets	14
Statement of Revenues, Expenditures, and Changes in Fund Balances	15-16
Reconciliation of the Statement of Revenues, Expenditures, and Changes	
in Fund Balances of Governmental Funds to the Statement of Activities	17
Agency Funds - Statement of Fiduciary Net Assets	18
Notes to Financial Statements	19-33
Required Supplemental Information:	
General Fund:	
Statement of Revenues, Expenditures, and Changes in Fund Balances	
- Budget and Actual	34-35
Water Lateral Receiving Fund:	
Statement of Revenues, Expenditures, and Changes in Fund Balance	
- Budget and Actual	36
Special Voted Fire Department Fund:	
Statement of Revenues, Expenditures, and Changes in Fund Balance	
- Budget and Actual	37
Other Supplemental Information:	
South County Water Fund:	
Statement of Revenues, Expenditures, and Changes in Fund Balances	
- Budget and Actual	38
Lakeshore Area Sewer Fund:	
Statement of Revenues, Expenditures, and Changes in Fund Balances	
- Budget and Actual	39
Water District 2002-27A Debt Fund:	
Statement of Revenues, Expenditures, and Changes in Fund Balances	
- Budget and Actual	40

LASALLE TOWNSHIP

Table of Contents (Continued) *March 31, 2005*

Other Supplemental Information (Continued):

Nonmajor Governmental Funds:

Combining Balance Sheet	41-42
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	43-44

Liquor Law Enforcement Fund:

Statement of Revenues, Expenditures, and Changes in Fund Balances	
- Budget and Actual	45

Lighting Fund:

Statement of Revenues, Expenditures, and Changes in Fund Balances	
- Budget and Actual	46

Foster Lane Fund:

Statement of Revenues, Expenditures, and Changes in Fund Balances	
- Budget and Actual	47

Belleterre No. 1 Fund:

Statement of Revenues, Expenditures, and Changes in Fund Balances	
- Budget and Actual	48

Allenhurst Road Fund:

Statement of Revenues, Expenditures, and Changes in Fund Balances	
- Budget and Actual	49

Lakeshore Area Sewer Receiving Fund:

Statement of Revenues, Expenditures, and Changes in Fund Balances	
- Budget and Actual	50

North Shores Drain O&M Fund:

Statement of Revenues, Expenditures, and Changes in Fund Balances	
- Budget and Actual	51

North Shores Street Maintenance Fund:

Statement of Revenues, Expenditures, and Changes in Fund Balances	
- Budget and Actual	52

North Shores Snow Fund:

Statement of Revenues, Expenditures, and Changes in Fund Balances	
- Budget and Actual	53

Water District 1991-A Fund:

Statement of Revenues, Expenditures, and Changes in Fund Balances	
- Budget and Actual	54

Water District 1991-B Fund:

Statement of Revenues, Expenditures, and Changes in Fund Balances	
- Budget and Actual	55

LASALLE TOWNSHIP

Table of Contents (Concluded) *March 31, 2005*

Other Supplemental Information (Concluded):

Water District 1995-13B Fund:

Statement of Revenues, Expenditures, and Changes in Fund Balances	
- Budget and Actual	56

Water District 1995-16A &17A Fund:

Statement of Revenues, Expenditures, and Changes in Fund Balances	
- Budget and Actual	57

Water District 1997-21A Fund:

Statement of Revenues, Expenditures, and Changes in Fund Balances	
- Budget and Actual	58

Building and Improvement Fund:

Statement of Revenues, Expenditures, and Changes in Fund Balances	
- Budget and Actual	59

Water District 2002-27A Capital Project Fund:

Statement of Revenues, Expenditures, and Changes in Fund Balances	60
---	----

Agency Funds:

Statement of Changes in Assets and Liabilities	61-62
--	-------



COOLEY HEHL
WOHLGAMUTH & CARLTON
P. L. L. C. Certified Public Accountants

James R. Cooley, CPA
David K. Hehl, CPA
Robert W. Wohlgamuth, CPA
Peter H. Carlton, CPA
Matthew D. Hehl, CPA
Deborah A. Sabo, CPA

One South Monroe Street • Monroe, Michigan 48161-2281
Telephone: (734) 241-7200 • Fax: (734) 241-2637
www.chwccpa.com

Members:
American Institute of Certified Public Accountants
Michigan Association of Certified Public Accountants
Division for CPA Firms American Institute of
Certified Public Accountants

Independent Auditor's Report

Township Board
LaSalle Township
Monroe County, Michigan

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of LaSalle Township, Monroe County, Michigan as of and for the year ended March 31, 2005, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of LaSalle Township, Monroe County, Michigan management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of LaSalle Township, Monroe County, Michigan as of March 31, 2005, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3 the Township has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, Statement No. 37, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments: Omnibus*, Statement No. 38, *Certain Financial Statement Note Disclosures and Interpretation No. 6, Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements* as of April 1, 2004. This results in a change in the format and content of the basic financial statements.

The management's discussion and analysis and budgetary comparison information on pages 3 through 9 and 34 through 37, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Township Board
LaSalle Township

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the LaSalle Township, Monroe County, Michigan basic financial statements. The comparative and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The comparative and individual fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Cooly Hehl Wollgammth & Carlton

June 16, 2005

LASALLE TOWNSHIP

Management's Discussion and Analysis Year Ended March 31, 2005

This section of LaSalle Township's annual financial report presents our discussion and analysis of the Township's financial performance during the fiscal year ended March 31, 2005. Please read it in conjunction with the Township's financial statements, which immediately follow this section. This summary should not be taken as a replacement for the audit which consists of the financial statements and other supplemental information that presents all the Township's revenues and expenditures by program for the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds.

The Governmental Accounting Standards Board (GASB) adopted this reporting model in *Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, issued June, 2000. Certain comparative information between the current year and the prior year is required to be presented in the MD&A. However, because this is the first year of implementing the new reporting model, certain necessary comparative information of the previous year was not prepared. GASB Statement No. 34 permits the omission of comparative information in the first year of adoption of the new reporting model and, considering the financial resources necessary to prepare the comparative information for the prior year, the Township has elected to exclude the information in this report. Subsequent reports will include comparative information.

Using this Annual Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand LaSalle Township financially as a whole. The ***Government-Wide Financial Statements***, which include the Statement of Net Assets and the Statement of Activities, provide information about the activities of the Township as a whole and presents both a short-term and a long-term view of those finances. The ***Fund Financial Statements*** provide the next level of detail. For governmental activities, these statements explain how services were financed in the short-term as well as what remains for future spending. The ***Fund Financial Statements*** report the Township's operations in more detail than the ***Government-Wide Financial Statements*** by providing information about the Township's most significant funds - the General Fund, the Water Lateral Receiving Special Revenue Fund, the Special Voted Fire Department Special Revenue Fund, the South County Water Debt Fund, the Lakeshore Area Sewer Debt Fund, and the Water District 2002-27A Debt Fund. The following summary illustrates how the various parts of this annual report are arranged:

Management's Discussion and Analysis (MD&A)
(Required Supplemental Information)

Basic Financial Statements

Government-Wide Financial Statements *Fund Financial Statements*

Notes to the Basic Financial Statements

Budgetary Information for Major Funds
(Required Supplemental Information)

Other Supplemental Information

LASALLE TOWNSHIP

Management's Discussion and Analysis *Year Ended March 31, 2005*

Government-Wide Financial Statements

The Statement of Net Assets and the Statement of Activities (pages 10-11), which appear first in the Township's financial statements, report information on the Township as a whole and its activities. These statements include all assets and liabilities, using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two government-wide statements report the Township's net assets and changes in them. The change in net assets provides the reader a tool to assist in determining whether the Township's financial health is improving or deteriorating. The relationship between revenues and expenses indicates the Township's operating results. However, the Township's goal is to provide services to our residents, not generate profits as commercial entities do. One must consider many other non-financial factors, such as the quality of the services provided and the safety of the public to assess the overall health of the Township.

The Statement of Net Assets and Statement of Activities report the governmental activities for the Township, which encompass Township services, include general government services, public safety, public works, and recreation and cultural services. Property taxes, state-shared revenue, and charges for services provide most of the funding.

Fund Financial Statements

The Township's Fund Financial Statements (pages 12-18) provide detailed information about the most significant or "major" funds - not the Township as a whole. Some funds are required to be established by State law and by bond covenants. However, the Township establishes other funds to control and manage money for particular purposes or to show that it is properly using revenues. The Township's two types of funds: governmental and fiduciary. The funds use different accounting approaches as described below:

Governmental funds - All of the Township's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using the modified accrual accounting method, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the operations of the Township and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Township's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in a reconciliation format in the financial section on pages 14 and 17.

Fiduciary funds – An Agency Fund is used to account for assets held by the Township as an agent for the collection and disbursement of property taxes.

LASALLE TOWNSHIP

Management's Discussion and Analysis *Year Ended March 31, 2005*

Government-Wide Financial Analysis

Recall that the Statement of Net Assets provides the perspective of the Township as a whole. Table 1 provides a summary of the Township's net assets as of March 31, 2005:

Table 1:

Condensed Statement of Net Assets March 31, 2005

	<u>Governmental Activities</u>
Current and other assets	\$2,514,911
Capital assets, net	<u>3,302,187</u>
Total Assets	5,817,098
Current and other liabilities	487,808
Long-term liabilities	<u>1,064,678</u>
Total Liabilities	<u>1,552,486</u>
Net Assets	
Invested in capital assets, net of related debt	2,221,202
Restricted for:	
Debt service	1,066,543
Capital projects	30,137
Public works	302,780
Fire protection	256,790
Unrestricted	<u>387,160</u>
Total Net Assets	<u>\$4,264,612</u>

As depicted in Table 1, the Township's net assets were \$4.2 million at March 31, 2005. Of this amount, a positive \$387,160 was unrestricted. This amount represents the *accumulated* results of all past years' operations. The unrestricted net asset balance is used for working capital and cash flow needs as well as to provide for future uncertainties. It means that if we had to pay off all of our bills *today*, including all of our noncapital liabilities we could with our current resources. The operating results of the General Fund will have a significant impact on the change in unrestricted net assets from year to year.

LASALLE TOWNSHIP

Management's Discussion and Analysis *Year Ended March 31, 2005*

Government-Wide Financial Analysis - Concluded

The results of this year's operations for the Township as a whole are reported in the Statement of Activities (Table 2), which shows the changes in net assets for the fiscal year ended March 31, 2005.

Table 2:

Changes in Net Assets Year Ended March 31, 2005

	<u>Governmental Activities</u>
Revenues	
Program revenues:	
Charges for services	\$ 221,282
Operating grants and contributions	159,726
Capital grants and contributions	<u>100,786</u>
	481,794
General revenues:	
Property taxes	229,818
State grants	352,204
Interest	55,771
Other	<u>35,597</u>
	<u>673,390</u>
 Total Revenues	 1,155,184
 Functions/Program Expenses	
Legislative	25,502
General government	321,825
Public safety	184,286
Public works	199,126
Recreation and cultural	1,600
Interest on long-term debt	<u>63,323</u>
 Total Expenses	 <u>795,662</u>
 Increase (Decrease) in Net Assets	 \$ <u>359,522</u>

As indicated in Table 2, the cost of *all governmental* activities this year was \$795,662. Of this amount, \$481,794 was subsidized with revenue generated from charges for services, grants, and contributions with the remaining costs financed with general revenues which consisted mainly of property taxes and state shared revenues. The Township's governmental activities experienced an increase in net assets of \$359,522. The increase in net assets differs from the change in fund balance. A reconciliation of the change in fund balances of the governmental funds to the change in net assets appears on page 17.

LASALLE TOWNSHIP

Management's Discussion and Analysis *Year Ended March 31, 2005*

Fund Financial Analysis

As noted earlier, the Township uses funds to help control and manage money for particular purposes. Looking at funds helps the reader consider whether LaSalle Township is being held accountable for the resources taxpayers and others provide to it and may give more insight into the Township's overall financial health.

As the Township completed this year, the governmental funds reported a combined fund balance of \$2,048,088 which is an increase of \$92,054 from last year. The changes by major and nonmajor funds are as follows:

	General Fund	Special Revenue Funds	Debt Service Funds	Nonmajor Funds	Total
Fund balances -					
Beginning of Year	\$362,400	\$372,155	\$755,807	\$465,672	\$1,956,034
Increase (decrease)	29,438	101,425	9,155	(47,964)	92,054
Fund balances -					
End of year	<u>\$391,838</u>	<u>\$ 473,580</u>	<u>\$764,962</u>	<u>\$417,708</u>	<u>\$2,048,088</u>

The Township's General Fund balance increase is illustrated in the tables that follow.

	March 31, 2005	March 31, 2004	Percent Change
Revenues			
Property taxes and assessments	\$119,039	\$128,302	(7.20)%
Licenses and permits	77,780	71,805	8.32 %
State grants	352,204	354,848	(0.70)%
Contributions from local units	100,786	0	N/A
Charges for services	15,375	10,950	40.41 %
Interest and penalties	2,732	6,122	(55.37)%
Other revenue	19,815	15,748	25.83 %
Total Revenues	<u>\$687,731</u>	<u>\$587,775</u>	17.01 %

Property taxes and assessments for 2004 included an assessment of \$15,500 for demolition. The contributions from local units represent donated fire equipment of \$100,786. The other revenue line items remained consistent with the prior year.

LASALLE TOWNSHIP

Management's Discussion and Analysis *Year Ended March 31, 2005*

Fund Financial Analysis – Concluded

	March 31, 2005	March 31, 2004	Percent Change
Expenditures			
Legislative	\$ 25,502	\$ 25,400	(0.40)%
General government	234,864	221,919	5.83 %
Public safety	213,958	116,016	84.42 %
Public works	61,274	56,986	7.52 %
Recreation and culture	1,600	0	N/A
Other	90,915	107,293	(15.26)%
Total Expenditures	\$628,113	\$527,614	19.05 %

The expenditures of \$213,958 for public safety include the capital outlay expenditure for the donated fire equipment. Also, public safety had an increase for building inspection expenditures of approximately \$8,000 due to more mechanical and plumbing inspections. The reduction in other expenditures from 2004 to 2005 was due to an expenditure for building demolition of \$21,350 during 2004.

General Fund Budgetary Highlights

The Uniform Budget Act of the State of Michigan requires the Township Board to adopt the original budget for the upcoming fiscal year prior to April 1, the start of the fiscal year. Over the course of the year, the Township revises its budget as it attempts to deal with the unexpected changes in revenues and expenditures. State law requires that the budget be amended to ensure that expenditures do not exceed appropriations. A schedule illustrating the Township's original and final budget amounts compared with amounts actually paid and received is provided in the required supplemental information of these financial statements.

The revisions made to the original budget and the final amended budgets were relatively minor. Original revenues of \$562,615 was not amended, and the original budget for expenditures was \$562,615 with only line item amendments made in the final budget for expenditures.

Capital Assets and Debt Administration

Capital Assets

At March 31, 2005, the Township had \$4,824,465 invested in a broad range of capital assets, including land, building and building improvements, equipment, fire equipment, vehicles, and sewer and water lines. This amount represents a net increase (including additions and disposals) of \$125,097 from last year. This year's additions included office equipment, fire equipment, fire station improvements, and other equipment. There was a disposal of a tank truck during the year. Depreciation for this year totaled \$105,960. Detailed information regarding capital assets is included in Note 7 to the financial statements.

LASALLE TOWNSHIP

Management's Discussion and Analysis Year Ended March 31, 2005

Capital Assets and Debt Administration (Concluded)

Debt

At March 31, 2005, the Township had \$1,060,000 in bonds and contract payable. The bonds payable is comprised of \$410,000 in special assessment water district bonds. The contract payable of \$650,000 is for the sewer disposal system. Detailed information regarding the Township's debt is included in Note 8 to the financial statements.

Development of the 2006 Fiscal Year Budget

The budget for the 2006 fiscal year is consistent with the prior year. The 2005 revenue budget was \$562,615, and the 2006 revenue budget is \$568,780. The following are some of the changes for 2006: property taxes are budgeted for \$120,530 which is an increase of approximately \$6,000; state shared revenue was decreased by approximately \$6,000; license and permits were increased by \$8,000; and miscellaneous revenue was decreased by approximately \$1,000.

The budget for expenditures for 2006 also remained consistent with the prior year. The 2005 expenditure budget was \$562,615, and the 2006 expenditure budget is \$568,780. The budget for 2006 increases the expenditures for building inspection by approximately \$6,100 with \$4,500 of the increase budgeted for new equipment. The planning commission expenditures were decreased by \$5,000. Also, the budget for general insurance increased by \$7,000.

Contacting LaSalle Township

This financial report is designed to provide the Township's citizens, taxpayers, customers, investors and creditors with a general overview of the Township's finances and to demonstrate their accountability for the money it receives. If you have questions about this report or need additional information, contact LaSalle Township, 4111 LaPlaisance Road, P.O.Box 46, LaSalle, MI 48145.

LASALLE TOWNSHIP*Statement of Net Assets
March 31, 2005*

	Governmental Activities
Assets	
Cash and cash equivalents	\$1,530,357
Cash with fiscal agent	128,319
Receivables:	
Accounts and accrued interest	29,868
Special assessment	461,095
Delinquent taxes	44,702
Due from other governmental units	320,570
Depreciable capital assets, net	3,302,187
Total Assets	5,817,098
Liabilities	
Accounts payable	9,659
Accrued interest payable	20,985
Other liabilities	54,500
Deferred revenue	402,664
Long-term liabilities:	
Due within one year	149,678
Due in more than one year	915,000
Total Liabilities	1,552,486
Net Assets	
Invested in capital assets, net of related debt	2,221,202
Restricted for:	
Debt service	1,066,543
Capital projects	30,137
Public works	302,780
Fire protection	256,790
Unrestricted	387,160
Total Net Assets	\$4,264,612

See accompanying notes to the basic financial statements.

LASALLE TOWNSHIP

Statement of Activities
Year Ended March 31, 2005

		Program Revenues			Net (Expense)
		Charges	Operating	Capital	Revenue and
	Expenses	for Services	Grants and	Grants and	Changes in
Functions/Programs			Contributions	Contributions	Net Assets
					Governmental
					Activities
Governmental Activities:					
Legislative	\$25,502	\$0	\$0	\$0	(\$25,502)
General government	321,825	15,375	0	0	(306,450)
Public safety	184,286	58,127	2,582	150,649	27,072
Public works	199,126	147,780	107,281	0	55,935
Recreation and culture	1,600	0	0	0	(1,600)
Interest on long-term debt	63,323	0	0	0	(63,323)
Total Governmental Activities	\$795,662	\$221,282	\$109,863	\$150,649	(313,868)
General Revenues:					
Property taxes					229,818
State grants					352,204
Interest					55,771
Other					35,597
Total General Revenues					673,390
Change in Net Assets					359,522
Net Assets - Beginning of year					3,905,090
Net Assets - End of year					\$4,264,612

See accompanying notes to the basic financial statements.

LASALLE TOWNSHIP

*Governmental Funds
Balance Sheet
March 31, 2005*

		Special Revenue Funds	
	General	Water Lateral Receiving	Special Voted Fire Department
Assets			
Cash and cash equivalents	\$271,840	\$167,464	\$145,587
Cash with fiscal agent	0	0	0
Receivables:			
Accounts and accrued interest	0	4,610	0
Special assessments	0	92,423	0
Delinquent taxes	10,588	840	9,612
Due from other funds	11,572	30,468	0
Due from other governmental units	161,997	1,252	101,591
Total Assets	<u>\$455,997</u>	<u>\$297,057</u>	<u>\$256,790</u>
Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$9,659	\$0	\$0
Due to other funds	0	0	0
Deferred revenue	0	80,267	0
Performance bonds	54,500	0	0
Total Liabilities	64,159	80,267	0
Fund Balances			
Reserved for debt service	0	0	0
Unreserved:			
Undesignated, reported in:			
General Fund	391,838	0	0
Special Revenue Funds	0	216,790	256,790
Capital Project Funds	0	0	0
Total Fund Balances	<u>391,838</u>	<u>216,790</u>	<u>256,790</u>
Total Liabilities and Fund Balances	<u>\$455,997</u>	<u>\$297,057</u>	<u>\$256,790</u>

See accompanying notes to the basic financial statements.

Debt Service Funds				
South County Water	Lakeshore Area Sewer	Water District 2002-27A	Other Nonmajor Governmental Funds	Total Governmental Funds
\$345,379	\$228,195	\$60,722	\$311,170	\$1,530,357
0	69,557	0	58,762	128,319
0	8,562	0	16,696	29,868
0	163,844	116,320	88,508	461,095
0	13,201	2,935	7,526	44,702
0	0	0	0	42,040
0	13,744	1,957	40,029	320,570
<u>\$345,379</u>	<u>\$497,103</u>	<u>\$181,934</u>	<u>\$522,691</u>	<u>\$2,556,951</u>
\$0	\$0	\$0	\$0	\$9,659
0	0	0	42,040	42,040
0	152,134	107,320	62,943	402,664
0	0	0	0	54,500
0	152,134	107,320	104,983	508,863
345,379	344,969	74,614	301,581	1,066,543
0	0	0	0	391,838
0	0	0	85,990	559,570
0	0	0	30,137	30,137
<u>345,379</u>	<u>344,969</u>	<u>74,614</u>	<u>417,708</u>	<u>2,048,088</u>
<u>\$345,379</u>	<u>\$497,103</u>	<u>\$181,934</u>	<u>\$522,691</u>	<u>\$2,556,951</u>

LASALLE TOWNSHIP

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets
March 31, 2005

Total Fund Balances - Governmental Funds			\$2,048,088
Amounts reported for governmental activities in the statement of net assets are different because:			
Capital assets used in governmental activities are not financial resources and are not reported in the funds:			
Cost of the capital assets		\$4,824,465	
Accumulated depreciation		<u>(1,522,278)</u>	
			3,302,187
Long-term liabilities, including bonds payable and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds:			
Loan payable		(1,064,678)	
Accrued interest		<u>(20,985)</u>	
			<u>(1,085,663)</u>
Total Net Assets - Governmental Activities			<u><u>\$4,264,612</u></u>

See accompanying notes to the basic financial statements.

LASALLE TOWNSHIP

Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended March 31, 2005

		Special Revenue Funds	
	General	Water Lateral Receiving	Special Voted Fire Department
Revenues			
Property taxes and special assessments	\$119,039	\$25,759	\$110,779
Federal grants	0	0	49,863
Licenses and permits	77,780	0	0
State grants	352,204	0	0
Contributions from local units	100,786	0	0
Charges for services	15,375	0	0
Interest	2,732	4,613	1,195
Other revenue	19,815	2,950	0
Total Revenues	687,731	33,322	161,837
Expenditures			
Legislative	25,502	0	0
General government	234,864	0	0
Public safety	213,958	0	91,549
Public works	61,274	2,185	0
Recreation and culture	1,600	0	0
Other	90,915	0	0
Debt service	0	0	0
Capital projects	0	0	0
Total Expenditures	628,113	2,185	91,549
Excess (Deficiency) of Revenue Over Expenditures	59,618	31,137	70,288
Other Financing Sources (Uses)			
Operating transfers in	0	0	0
Operating transfers out	(30,180)	0	0
Total Other Financing Sources (Uses)	(30,180)	0	0
Net Change in Fund Balances	29,438	31,137	70,288
Fund Balances - Beginning of year	362,400	185,653	186,502
Fund Balances - End of year	\$391,838	\$216,790	\$256,790

See accompanying notes to the basic financial statements.

Debt Service Funds				
South County Water	Lakeshore Area Sewer	Water District 2002-27A	Other Nonmajor Governmental Funds	Total Governmental Funds
\$0	\$22,587	\$14,957	\$55,550	\$348,671
0	0	0	0	49,863
0	0	0	0	77,780
0	0	0	2,582	354,786
0	0	0	0	100,786
0	0	0	85,527	100,902
4,044	20,426	9,476	13,285	55,771
0	43,860	0	0	66,625
4,044	86,873	24,433	156,944	1,155,184
0	0	0	0	25,502
0	0	0	0	234,864
0	0	0	19,334	324,841
0	0	0	75,521	138,980
0	0	0	0	1,600
0	0	0	0	90,915
0	89,295	16,900	139,787	245,982
0	0	0	446	446
0	89,295	16,900	235,088	1,063,130
4,044	(2,422)	7,533	(78,144)	92,054
0	0	0	30,189	30,189
0	0	0	(9)	(30,189)
0	0	0	30,180	0
4,044	(2,422)	7,533	(47,964)	92,054
341,335	347,391	67,081	465,672	1,956,034
\$345,379	\$344,969	\$74,614	\$417,708	\$2,048,088

LASALLE TOWNSHIP

*Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
Year Ended March 31, 2005*

Net Change in Fund Balances - Total Governmental Funds		\$92,054
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures; in the statement of activities, these costs are allocated over their estimated useful lives as depreciation expense.		
Depreciation expense	(\$105,960)	
Capital outlay	<u>191,369</u>	
		85,409
Accrued interest is recorded in the statement of activities when incurred; it is not reported in governmental funds until paid.		2,659
Repayments of bond principal is an expenditure in the governmental funds, but not in the statement of activities (where it reduces long-term debt).		180,000
Increases in the liability for compensated absences are reported as an expenditure in the statement of activities, but not in the governmental funds		<u>(600)</u>
Change in Net Assets of Governmental Activities		<u><u>\$359,522</u></u>

See accompanying notes to the basic financial statements.

LASALLE TOWNSHIP

Agency Funds
Statement of Fiduciary Net Assets
March 31, 2005

	<u>Tax Collection</u>	<u>Water Tap Fee</u>	<u>Water Bill</u>	<u>Totals</u>
Assets				
Cash	<u>\$246,850</u>	<u>\$13,165</u>	<u>\$23</u>	<u>\$260,038</u>
Total Assets	<u><u>\$246,850</u></u>	<u><u>\$13,165</u></u>	<u><u>\$23</u></u>	<u><u>\$260,038</u></u>
Liabilities				
Due to other funds	\$243,999	\$0	\$0	\$243,999
Due to other governments	0	13,165	23	13,188
Due to others	<u>2,851</u>	<u>0</u>	<u>0</u>	<u>2,851</u>
Total Liabilities	<u><u>\$246,850</u></u>	<u><u>\$13,165</u></u>	<u><u>\$23</u></u>	<u><u>\$260,038</u></u>

See accompanying notes to the basic financial statements.

LASALLE TOWNSHIP

Notes to Financial Statements Year Ended March 31, 2005

Note 1 Description of the Township and Reporting Entity

The Township operates under a locally elected five member Board form of government and provides the following services: public safety (fire), public improvements, planning and zoning, and general administrative services.

Reporting Entity

A reporting entity is comprised of the primary government, component units, and other organizations that are included to insure that the financial statements are not misleading. The primary government of the Township consists of all funds, departments, boards, and agencies that are not legally separate from the Township.

Component units are legally separate organizations for which the Township is financially accountable. Component units may also include organizations that are fiscally dependent on the Township in that the Township approves their budget, the issuance of their debt, or the levying of taxes. The Township has no component units.

The following entity is a joint venture which is not included in the governmental fund financial statements.

South County Water System - This is a joint venture between the County of Monroe, LaSalle Township, Bedford Township, Erie Township, and the City of Luna Pier to renovate and improve the South County Water System.

Note 2 Summary of Significant Accounting Policies

The financial statements of LaSalle Township have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Council (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following are the more significant of the Township's accounting policies.

Basis of Presentation

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government. As a general rule, the effect of interfund activity has been eliminated from the government-wide statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues are reported separately from business-type activities which rely, to a significant extent on fees and charges for support. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Amounts reported as program revenue include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions. General revenue includes taxes, intergovernmental payments, sales of property, and other items not properly included among program revenues.

Separate financial statements are provided for governmental funds and agency funds, even though the latter are excluded from the government-wide financial statements. Individual major governmental funds are reported as separate columns in the fund financial statements.

LASALLE TOWNSHIP

Notes to Financial Statements Year Ended March 31, 2005

Note 2 Summary of Significant Accounting Policies

Basis of Presentation (Continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Statements - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund Financial Statements - Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Governmental fund expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

On the governmental funds statements, property taxes, intergovernmental grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be available only when cash is received by the Township.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

Agency fund statements also are reported using the economic resources measurement focus and the cash basis of accounting.

The Township reports the following major governmental funds:

The General Fund is the Township's primary operating fund. The General Fund accounts for all financial resources of the Township, except those required to be accounted for in another fund.

The Special Revenue Fund - Water Lateral Receiving Fund accounts for the collection of debt service charges for each water tap-in. These moneys are available for operation and maintenance, expansion and replacement of the laterals and for debt service.

The Special Revenue Fund - Special Voted Fire Department Fund accounts for proceeds from a tax millage to be used for the purchase of, construction of, and/or repair of fire department building and equipment.

The Debt Fund - South County Water Fund accumulates interest on tax revenue that was collected for the South County Water System to retire bonds.

LASALLE TOWNSHIP

Notes to Financial Statements Year Ended March 31, 2005

Note 2 Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Concluded)

The Debt Fund - Lakeshore Area Sewer Fund accounts for the collection of the Lakeshore Area Sewer Special Assessment No. 1990-A, used to defray part of the Township's obligation to the County of Monroe to cover the remaining cost of the \$845,000 refunding bond issue.

The Debt Fund - Water District 2002-27A Fund accounts for the collection of Water District Special Assessments No. 2002-27A, used to pay the cost of a \$150,000 bond issue.

The Township reports the following nonmajor governmental funds:

The Special Revenue Funds - Liquor Law Enforcement, Lighting, Foster Lane, Belleterre District No. 1, Allenhurst Road, Lakeshore Area Sewer Receiving, North Shore Drain O&M, North Shore Street Maintenance, and North Shore Snow. The Debt Service Funds - Water District 1991-A, Water District 1991-B, Water District 1995-13B, Water District 1995-16A & 17A, and Water District 1997-21A. The Capital Projects Funds - Building and Improvement, and Water District 2002-27A.

C. Assets, Liabilities, and Net Assets or Equity

Deposits and Investments - Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired.

Property Tax Receivable - Property taxes are assessed as of December 31 and the related property taxes become a lien on July 1 and December 1 of the following year. Summer taxes are considered delinquent July 31, and winter taxes are considered delinquent February 15 of the following year.

Prepaid Assets - Payments made to vendors for services that will benefit periods beyond March 31, 2005, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

Capital Assets - General capital assets are those assets related to the general activities and expenditures reported in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported on the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated fixed assets are recorded at their fair market values as of the date received. The Township maintains a capitalization threshold of one thousand dollars and an estimated useful life in excess of one year. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. The Township has elected not to retroactively report infrastructure assets except those related to outstanding bond issues as of March 31, 2004.

LASALLE TOWNSHIP

Notes to Financial Statements Year Ended March 31, 2005

Note 2 Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

C. Assets, Liabilities, and Net Assets or Equity (Continued)

All reported capital assets, other than land, are depreciated. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and buildings improvements	10-50 years
Machinery and equipment	3-10 years
Vehicles	5-25 years
Water lines	50 years
Sewer lines	50 years

Interfund Balances - On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "due to/from other funds." These amounts are eliminated in the governmental activities column of the statement of net assets.

Accrued Liabilities and Long-Term Obligations -All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Payments of long-term loans that are paid from governmental funds are recognized as an expenditure on the governmental fund financial statements when due.

Net Assets - Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors or laws, or regulations of other governments.

Interfund Transactions - Exchange transactions between funds are reported as revenues in the seller funds and as expenditures in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures to the funds that initially paid for them are not presented on the financial statements.

Fund Balance Reserves and Designations - In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

LASALLE TOWNSHIP

Notes to Financial Statements Year Ended March 31, 2005

Note 2

Summary of Significant Accounting Policies (Concluded)

Basis of Presentation (Concluded)

C. Assets, Liabilities, and Net Assets or Equity (Concluded)

Compensated Absences - Township employees are granted vacation days under formulas and conditions in the personnel policy manual. All earned vacation must be taken within the calendar year. There is no provision for carryover of vacation. The Township does not provide for sick pay for employees.

D. Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported on the financial statements and accompanying notes. Actual results may differ from those estimates.

E. Extraordinary and Special Items - Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Township and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2005.

F. Budgetary Policies - The budgetary process is prescribed by provisions of the State of Michigan Budget Act and entails the preparation of budgetary documents within an established timetable. The General Fund and all Special Revenue Funds are legally required to be budgeted and appropriated. The legal level of budgetary control has been established by the Township Board at the function level. Any budgetary modifications may only be made by resolution of the Township Board.

The fiscal officer submits to the Township Board a proposed operating budget for the fiscal year commencing the following April.

1. The operating budget includes proposed expenditures and the means of financing them. Unexpended appropriations lapse at year end.
2. A public hearing is conducted to obtain taxpayer comments.
3. The budget is legally enacted through a Board motion.
4. Any revisions to the budget must be approved by the Township Board.
5. Budgeted amounts are as originally adopted, or as amended by the Township Board.
6. Budgets are adopted on a basis consistent with generally accepted accounting principles.
7. Lapsing of Appropriations - At the close of each year all unspent appropriations revert to the respective funds from which they were appropriated and become subject to future appropriations.

LASALLE TOWNSHIP

Notes to Financial Statements Year Ended March 31, 2005

Note 3 Changes in Accounting Principles and Restatement of Fund Balance
Changes in Accounting Principles

For the fiscal year ending March 31, 2005, the Township has implemented Governmental Accounting Standards Council (GASB) Statement No. 34, *Basic Financial Statements - Management's Discussion and Analysis - for State and Local Governments*; GASB No. 36, *Recipient Reporting for Certain Shared Nonexchange Revenues*, GASB No. 37, *Basic Financial Statements and Management's Discussion and Analysis - for State and Local Governments: Omnibus*, GASB No. 38, *Certain Financial Statement Note Disclosures*, and GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*. At April 1, 2004, there was no effect on fund balance as a result of implementing GASB Statements 36, 37, and 38.

GASB Statement No. 34 creates new basic financial statements for reporting on the Township's financial activities. The financial statements now include government-wide financial statements prepared on an accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column. The beginning net asset amount for governmental programs reflects the change in fund balance for governmental funds at March 31, 2004, caused by the conversion to the accrual basis of accounting.

GASB Interpretation No. 6 clarifies the application of standards for modified accrual recognition of certain liabilities and expenditures in areas where differences have arisen, or potentially could arise, in interpretation and practice.

Restatement of Fund Balance

The restatements for GASB Statement No. 34 had the following effects on the transition from governmental fund balance to net assets of the governmental activities.

	Total Governmental Activities
Fund Balance March 31, 2004	\$ 1,956,034
GASB 34 adjustments:	
Capital assets, net of depreciation	3,216,778
Accrued interest payable	(23,644)
Long-term liabilities	(1,244,078)
Governmental Activities Net Assets at March 31, 2004	\$ <u>3,905,090</u>

Note 4 Stewardship, Accountability and Compliance

The Township shall not incur expenditures in excess of the amount appropriated. Annual budgets are adopted on a basis that is consistent with generally accepted accounting principles and State Law for the General and Special Revenue Funds.

In the required supplemental information, the Township's actual expenditures and budgeted expenditures for the budgetary funds have been shown on a functional basis, which is the adopted legal level of control.

LASALLE TOWNSHIP

Notes to Financial Statements Year Ended March 31, 2005

Note 4 Stewardship, Accountability and Compliance (Concluded)
For the year ended March 31, 2005, expenditures exceeded final budgeted amounts in the following funds:

	<u>Final Budget</u>	<u>Actual Expenditures</u>	<u>Variance</u>
General Fund	\$562,615	\$628,113	\$(65,498)
Special Voted Fire Department	80,270	91,549	(11,279)
Lakeshore Area Sewer	88,625	89,295	(670)
Allenhurst Road	305	365	(60)
North Shore Snow	1,000	2,475	(1,475)
Water District 1991-A	23,500	23,900	(400)
Water District 1991-B	11,350	11,750	(400)
Water District 1995-13B	25,719	25,924	(205)

The General Fund's variance of \$65,498 was due to a contribution of fire equipment from local units. The variance was caused by an audit adjustment to record the \$100,786 of donated fire equipment.

Note 5 Deposits

Statutes authorize the Township to invest in obligations of the U.S. Treasury, agencies, and instrumentalities; commercial paper within the three highest rate classifications by at least two rating services; bankers' acceptances of U.S. banks, U.S. or agency repurchase agreements; savings accounts and certificates of deposit with banks and savings and loan associations, or credit unions which are insured with the applicable federal agency. Public funds of the Township may not be deposited in financial institutions located in states other than Michigan. The Township Board has adopted an investment policy authorizing certain types of investments and has authorized two depositories: Monroe Bank and Trust and National City Bank.

Public Act 367 of 1982 (known as the Surplus Funds Investment Pool Act) enables municipalities to invest surplus operating funds in investment pools managed by qualified financial institutions. At March 31, 2005, the Township had invested in such a fund with a local bank. The Township is able to retrieve these funds without restriction and, accordingly, this amount is considered to be available cash. The local bank invests these funds in a variety of instruments including bonds and direct obligations of the United States, certificates of deposit, commercial paper rated within the three highest classifications by not less than two standard rating services, United States government or federal agency obligation repurchase agreements and bankers acceptances of the United States banks.

The Township believes that, due to the dollar amounts of cash deposits and the limits of FDIC insurance, and since State of Michigan legislation does not require that all deposits be collateralized, it is impractical to insure all bank deposits. As a result, the Township evaluates each financial institution with which it deposits Township funds and assesses the level of risk at each institution; only those institutions with an acceptable estimated risk level are used as depositories.

LASALLE TOWNSHIP

*Notes to Financial Statements
Year Ended March 31, 2005*

Note 5 Deposits (Concluded)

Deposits are carried at cost. The carrying amount of deposits is separately displayed on the balance sheet as cash and certificates of deposit. The following is a summary of these deposits:

	<u>Governmental Activities</u>	<u>Agency Funds</u>	<u>Total</u>
Carrying value of total deposits	<u>\$1,658,676</u>	<u>\$260,038</u>	<u>\$1,918,714</u>
Bank balance of deposits			\$1,920,061
Amount covered by FDIC			<u>200,000</u>
In uninsured and uncollateralized accounts			<u>\$1,720,061</u>

Note 6 Interfund Receivable and Payable Balances

Interfund balances at March 31, 2005 consisted of the following individual fund receivables and payables:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund:		
Special Revenue Funds:		
Lighting Fund	\$11,572	\$ -
Special Revenue Funds:		
Lighting Fund:		
General Fund	-	11,572
Water Lateral Receiving Fund:		
Special Revenue Fund:		
Lakeshore Area Sewer Receiving Fund	30,468	-
Lakeshore Area Sewer Receiving Fund:		
Special Revenue Fund:		
Water Lateral Receiving Fund	<u>-</u>	30,468
	<u>\$42,040</u>	<u>\$42,040</u>

LASALLE TOWNSHIP

Notes to Financial Statements *Year Ended March 31, 2005*

Note 7 Capital Assets

Capital asset activity for the fiscal year ended March 31, 2005, was as follows:

	<u>Balance</u> <u>April 1, 2004</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>March 31, 2005</u>
Governmental Activities				
Assets not being depreciated				
Land	\$ 58,000	\$ -	\$ -	\$ 58,000
Capital assets being depreciated:				
Buildings and building improvements	1,165,619	30,194	-	1,195,813
Machinery and equipment	118,914	138,922	-	257,836
Vehicles	371,835	22,253	(66,272)	327,816
Water lines	1,455,000	-	-	1,455,000
Sewer lines	<u>1,530,000</u>	<u>-</u>	<u>-</u>	<u>1,530,000</u>
Total capital assets	4,699,368	191,369	(66,272)	4,824,465
Less accumulated depreciation:				
Buildings and building improvements	(235,485)	(25,097)	-	(260,582)
Machinery and equipment	(104,793)	(13,127)	-	(117,920)
Vehicles	(343,208)	(8,036)	66,272	(284,972)
Water lines	(296,754)	(29,100)	-	(325,854)
Sewer lines	<u>(502,350)</u>	<u>(30,600)</u>	<u>-</u>	<u>(532,950)</u>
Total accumulated depreciation	<u>(1,482,590)</u>	<u>(105,960)</u>	<u>66,272</u>	<u>(1,522,278)</u>
Net capital assets	<u>\$3,216,778</u>	<u>\$ 85,409</u>	<u>\$ -</u>	<u>\$3,302,187</u>

Depreciation expense was charged to governmental functions as follows:

General government	\$ 7,153
Public safety	39,107
Public works	<u>59,700</u>
Total governmental activities	<u>\$105,960</u>

LASALLE TOWNSHIP

Notes to Financial Statements Year Ended March 31, 2005

Note 8 Long-Term Debt

The following is a summary of long-term debt outstanding as of March 31, 2005:

	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Maturity Dates</u>	<u>Original Amount of Issue</u>	<u>Balance Outstanding</u>
Special assessment debt:					
Water District 1991-A Special Assessment Bonds	6.400% 8.000%	08/01/91	04/01/2007	\$285,000	\$ 40,000
Water District 1991-B Special Assessment Bonds	6.000% 8.000%	02/18/92	04/01/2008	85,000	15,000
Water District 1995-16A & 17A Special Assessment Bonds	4.300% 5.250%	09/01/95	09/01/2008	540,000	150,000
Water District 1997-21A Special Assessment Bonds	4.950%	02/01/98	09/01/2010	150,000	65,000
Water District 2002-27A Special Assessment Bonds	4.450%	03/25/03	11/01/2018	150,000	<u>140,000</u> 410,000
Contracts payable:					
LaSalle Sewer Disposal: System No.1 Refunding Bonds	3.850% 6.000%	09/15/95	05/01/2016	845,000	<u>650,000</u>
					<u><u>\$1,060,000</u></u>

Following is a summary of changes in long-term debt as of March 31, 2005:

	<u>Balance 3/31/04</u>	<u>Additions</u>	<u>Retired</u>	<u>Balance 3/31/05</u>	<u>Due In One Year</u>
Special Assessment Debt:					
Water District 1991-A	\$ 60,000	\$ -	\$ 20,00	\$ 40,000	\$ 20,000
Water District 1991-B	25,000	-	10,000	15,000	5,000
Water District 1995-13B	25,000	-	25,000	-	-
Water District 1995- 16A & 17A	200,000	-	50,000	150,000	50,000
Water District 1997-21A	80,000	-	15,000	65,000	10,000
Water District 2002-27A	<u>150,000</u>	<u>-</u>	<u>10,000</u>	<u>140,000</u>	<u>10,000</u>
	540,000	-	130,000	410,000	95,000
Contracts Payable:					
LaSalle Sewer Disposal System No.1 Refunding Bonds	700,000	-	50,000	650,000	50,000
Compensated Absences Payable	<u>4,078</u>	<u>600</u>	<u>-</u>	<u>4,678</u>	<u>4,678</u>
Totals	<u>\$1,244,078</u>	<u>\$ 600</u>	<u>\$180,000</u>	<u>\$1,064,678</u>	<u>\$149,678</u>

LASALLE TOWNSHIP*Notes to Financial Statements
Year Ended March 31, 2005***Note 8 Long-Term Debt (Continued)**

Following are repayment schedules of the March 31, 2005 balances:

Water District 1991-A - Special Assessment Bonds - \$285,000 bond issue dated August 1, 1991:

<u>Fiscal Year</u>	<u>Interest Due</u>		<u>Principal</u>	<u>Total Requirements</u>
	<u>April 1</u>	<u>October 1</u>	<u>Due April 1</u>	
2006	\$1,400	\$700	\$20,000	\$22,100
2007	<u>700</u>	<u>-</u>	<u>20,000</u>	<u>20,700</u>
	<u>\$2,100</u>	<u>\$700</u>	<u>\$40,000</u>	<u>\$42,800</u>

Notes: 1. The above schedule does not include paying agent fees.

2. Interest: 6.40% to 8.00%

3. Paying agent: LaSalle Bank

Water District 1991-B - Special Assessment Bonds - \$85,000 bond issue dated February 18, 1992:

<u>Fiscal Year</u>	<u>Interest Due</u>		<u>Principal</u>	<u>Total Requirements</u>
	<u>April 1</u>	<u>October 1</u>	<u>Due April 1</u>	
2006	\$ 510	\$343	\$ 5,000	\$ 5,853
2007	343	172	5,000	5,515
2008	<u>172</u>	<u>-</u>	<u>5,000</u>	<u>5,172</u>
	<u>\$1,025</u>	<u>\$515</u>	<u>\$15,000</u>	<u>\$16,540</u>

Notes: 1. The above schedule does not include paying agent fees.

2. Interest: 6.00% to 8.00%

3. Paying agent: LaSalle Bank

Water District 1995-16A & 17A - Special Assessment Bonds - \$540,000 bond issue dated September 1, 1995:

<u>Fiscal Year</u>	<u>Interest Due</u>		<u>Principal Due</u>	<u>Total Requirements</u>
	<u>September 1</u>	<u>March 1</u>	<u>September 1</u>	
2006	\$ 3,862	\$2,600	\$ 50,000	\$ 56,462
2007	2,600	1,312	50,000	53,912
2008	<u>1,312</u>	<u>-</u>	<u>50,000</u>	<u>51,312</u>
	<u>\$7,774</u>	<u>\$3,912</u>	<u>\$150,000</u>	<u>\$161,686</u>

Notes: 1. The schedule does not include paying agent fees.

2. Interest: 4.30% to 5.25%

3. Paying agent: LaSalle Bank

LASALLE TOWNSHIP*Notes to Financial Statements
Year Ended March 31, 2005***Note 8 Long-Term Debt (Continued)**

Water District 1997-21A - Special Assessment Bonds - \$150,000 bond issue dated February 1, 1998:

Fiscal Year	Interest Due		Principal Due	Total
	September 1	March 1	September 1	Requirements
2006	\$1,609	\$1,361	\$10,000	\$12,970
2007	1,361	990	15,000	17,351
2008	990	619	15,000	16,609
2009	619	371	10,000	10,990
2010	<u>371</u>	<u>-</u>	<u>15,000</u>	<u>15,371</u>
	<u>\$4,950</u>	<u>\$3,341</u>	<u>\$65,000</u>	<u>\$73,291</u>

- Notes: 1. The above schedule does not include paying agent fees.
 2. Interest: 4.95%
 3. Paying agent: Monroe Bank & Trust

Water District 2002-27A - Special Assessment Bonds - \$150,000 bond issue dated March 25, 2003:

Fiscal Year	Interest Due		Principal Due	Total
	November 1	May 1	November 1	Requirements
2006	\$3,115	\$ 3,115	\$ 10,000	\$16,230
2007	2,892	2,892	10,000	15,784
2008	2,670	2,670	10,000	15,340
2009	2,448	2,448	11,000	15,896
2010	2,202	2,202	11,000	15,404
2011	1,958	1,958	11,000	14,916
2012	1,713	1,713	11,000	14,426
2013	1,469	1,469	11,000	13,938
2014	1,223	1,223	11,000	13,446
2015	979	979	11,000	12,958
2016	734	734	11,000	12,468
2017	490	490	11,000	11,980
2018	<u>245</u>	<u>245</u>	<u>11,000</u>	<u>11,490</u>
	<u>\$22,138</u>	<u>\$22,138</u>	<u>\$140,000</u>	<u>\$184,276</u>

- Notes: 1. The above schedule does not include paying agent fees.
 2. Interest: 4.45%
 3. Paying agent: Monroe Bank & Trust

LaSalle Sanitary Sewer System Contract Payable - \$1,530,000 bond issue dated November 1, 1989 by the County of Monroe.(LaSalle Township is obligated to pay the County of Monroe sufficient amounts to cover the principal and interest requirements to retire this bond issue):

LASALLE TOWNSHIP

Notes to Financial Statements Year Ended March 31, 2005

Note 8 Long-Term Debt (Continued)

On September 15, 1995, the County of Monroe issued \$845,000 in Sewage Disposal Refunding Bonds (LaSalle Township System No. 1) with interest rates from 3.85% to 6.0% to advance refund a portion of the \$1,305,000 of outstanding Limited Tax Sewage Disposal Bonds with interest rates from 6.35% to 9.00%. The net proceeds of \$810,213 (after a discount of \$10,563, issuance costs of \$24,225) plus a Township contribution of \$240,000 were used to purchase U.S. Government Securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for a portion of the future debt service payments on the 1989 Series bonds. As a result, \$980,000 of the 1989 bonds is considered to be defeased and the liability for those bonds has been removed from the general long-term account group.

The Township advance refunded a portion of the 1989 bonds to reduce its total debt service payments over the next 20 years by \$181,108. The Township sustained an economic loss of \$7,945 (difference between the present values of the debt service payments on the old and new debt).

LaSalle Sewage Disposal System No. 1 Refunding Bonds Contract Payable - \$845,000 bond issue dated September 15, 1995 by the County of Monroe. (LaSalle Township is obligated to pay the County of Monroe sufficient amounts to cover the principal and interest requirements to retire this bond issue):

<u>Fiscal Year</u>	<u>Interest Due</u>		<u>Principal Due May 1</u>	<u>Total Requirements</u>
	<u>May 1</u>	<u>November 1</u>		
2006	\$ 18,681	\$17,394	\$ 50,000	\$ 86,075
2007	17,394	15,804	60,000	93,198
2008	15,804	14,169	60,000	89,973
2009	14,169	12,504	60,000	86,673
2010	12,504	10,950	55,000	78,454
2011	10,950	9,300	55,000	75,250
2012	9,300	7,650	55,000	71,950
2013	7,650	5,850	60,000	73,500
2014	5,850	3,900	65,000	74,750
2015	3,900	1,950	65,000	70,850
2016	1,950	-	65,000	66,950
	<u>\$118,152</u>	<u>\$99,471</u>	<u>\$650,000</u>	<u>\$867,623</u>

- Notes: 1. The above debt retirement schedule does not include paying agent fees.
 2. Interest rates: 3.85% to 6.00%
 3. Paying agent: Michigan National Bank, Detroit, Michigan

The annual requirements to pay principal and interest on long-term debt outstanding at March 31, 2005 are as follows:

<u>Fiscal Years</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005 - 2006	\$ 145,000	\$ 54,690	\$ 199,690
2006 - 2007	160,000	46,460	206,460
2007 - 2008	140,000	38,406	178,406
2008 - 2009	81,000	32,559	113,559
2009 - 2010	81,000	28,229	109,229
2010 - 2015	355,000	80,984	435,984
2015 - 2020	98,000	4,888	102,888
	<u>\$1,060,000</u>	<u>\$286,216</u>	<u>\$1,346,216</u>

LASALLE TOWNSHIP

Notes to Financial Statements Year Ended March 31, 2005

Note 9 Special Assessments

In the Water Lateral Receiving Fund, the special assessments receivable of \$92,423 are balances owed on the water debt service charges. The Township has, by ordinance, provided for the collection of debt service charges for each water tap-in. These moneys are available for operation and maintenance, expansion, and replacement of the laterals, and for debt service.

In the following funds, the special assessment receivable are balances owed on special assessments levied to help pay for principal and interest on bonds as stated in Note 8.

<u>Fund</u>	<u>Special Assessment Receivable March 31, 2005</u>
Lakeshore Area Sewer Fund	\$163,844
Water District 1991-A	5,009
Water District 1991-B	3,043
Water District 1995-13B	9,050
Water District 1995-16A & 17A	49,667
Water District 1997-21A	21,739
Water District 2002-27A	<u>116,320</u>
	<u>\$368,672</u>

Note 10 Michigan Unemployment

On May 16, 1974, Governor Milliken signed into law enrolled Senate Bill 741, which is known as Act No. 104 of the Public Acts of 1974. The provisions of this Act subject political subdivisions to the Michigan Employment Security Act effective January 1, 1975. LaSalle Township has elected to make reimbursement payments rather than to pay contributions as a contributing employer.

Note 11 Property Tax

Property taxes, which are based on property owned as of December 31, 2003 were billed on December 1, 2004 and were payable February 14, 2005. Summer taxes are billed July 1 and are due September 14. The Township collects its own property tax and also collects taxes for the State of Michigan, County of Monroe, Monroe Public Schools, Mason Consolidated Schools, Ida Public Schools, Monroe County Community College, and the Monroe County Intermediate School District.

The Township levied 0.7691 mills for general operating and 0.7217 mills for the fire department for the 2004-2005 fiscal year. The total taxable value for the year was \$153,518,463 which is based on a percentage of the fair market value of the assessed property.

Note 12 Employee's Pension Plan

The Township adopted a defined contribution pension plan which was effective May 1, 1992. The plan provides pension benefits for all Township employees who are employed for more than ten hours a week on a regular basis. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate on the first policy anniversary date on which they have completed at least one year of continuous employment with the Township and their age (nearest birthday) is at least eighteen years and not more than eighty-five years. The plan requires that the Township contribute 10% of a covered employee's annual compensation to the plan and that each covered employee shall also contribute at least 5% of their annual compensation. Contributions to the plan are vested immediately.

LASALLE TOWNSHIP

Notes to Financial Statements Year Ended March 31, 2005

Note 12 Employee's Pension Plan (Concluded)

The Township's covered payroll for the fiscal year ending March 31, 2005 was \$195,280, with a total payroll of \$201,795. A total of \$31,620 was contributed to the plan of which \$10,023 (5.1% of covered payroll) was withheld from the employees, \$19,528 (10% of covered payroll) was paid by the Township, and \$2,069 was paid by the Township for administrative expenses.

Note 13 Building Department

The Township tracks building permit fees and their related costs in the General Fund. Fees for the fiscal year ending March 31, 2005, of \$50,127 did not exceed the related costs and administrative overhead.

Note 14 Risk Management

The Township is exposed to various risks of loss related to property loss, torts, errors, omissions and employee injuries (workman's compensation). The Township has purchased commercial insurance for property loss, torts, errors, omissions and employee injuries.

Note 15 Joint Venture

The South County Water System is a joint venture with the County of Monroe and four municipalities: LaSalle Township, Bedford Township, Erie Township, and the City of Luna Pier. However, the municipalities do not have an equity interest in this joint venture. LaSalle Township and the other three municipalities entered into a contract with the County of Monroe whereby each municipality has pledged their full faith and credit to provide debt service payments on the \$1,400,000 bond issue dated July 1, 1995. The bond proceeds were used for renovations and improvements to the South County Water System. Each municipality is obligated for their share of the obligation based on the assessed property valuations which are computed annually. Currently, the South County Water System provides the debt retirement requirements on the \$1,400,000 bond issue which are paid from the system's revenues.

As of March 31, 2005, LaSalle Township's obligation for this bond issue is 13.5856%. The following is the financial information of the joint venture, obtained from the Monroe County Drain Commissioner, County Agency financial report as of December 31, 2004:

Total assets	\$24,870,157
Total liabilities	664,713
Total net assets	24,205,444
Total revenues	4,120,829
Total expenses	3,113,139
Total increase in system equity	1,007,690
Current portion of long-term debt	138,550
Long-term debt (net of discounts)	278,450

LASALLE TOWNSHIP

General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Year Ended March 31, 2005

	Budgeted Amounts			Positive (Negative) Budget
	Original	Final	Actual	
Revenues				
Taxes and special assessments	\$114,575	\$114,575	\$119,039	\$4,464
Licenses and Permits:				
Business licenses and permits	25,075	25,075	23,782	(1,293)
Non-business licenses and permits	38,000	38,000	53,998	15,998
	63,075	63,075	77,780	14,705
State grants	351,450	351,450	352,204	754
Contributions from local units	0	0	100,786	100,786
Charges for Services:				
Cemetery sales	7,000	7,000	11,375	4,375
Rentals	4,200	4,200	4,000	(200)
	11,200	11,200	15,375	4,175
Interest	4,000	4,000	2,732	(1,268)
Other revenue	18,315	18,315	19,815	1,500
Total Revenues	562,615	562,615	687,731	125,116
Expenditures				
Legislative:				
Township board	28,800	28,800	25,502	3,298
General Government:				
Supervisor	31,000	30,950	29,225	1,725
Assessor	30,000	30,000	27,822	2,178
Elections	4,000	4,384	4,381	3
Audit	12,400	12,400	12,400	0
Attorney	12,000	9,666	8,715	951
Clerk	46,300	49,400	46,582	2,818
Board of review	1,000	1,000	300	700
Treasurer	52,900	52,900	51,500	1,400
Buildings and grounds	49,500	41,300	32,807	8,493
Cemetery	18,000	21,200	21,132	68
	257,100	253,200	234,864	18,336

LASALLE TOWNSHIP

General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Year Ended March 31, 2005

	Budgeted Amounts			Positive (Negative) Budget
	Original	Final	Actual	
Expenditures (Concluded)				
Public Safety:				
Fire department	\$61,200	\$62,200	\$156,311	(\$94,111)
Building inspection	46,600	51,650	50,382	1,268
Planning commission	13,000	4,934	5,900	(966)
Zoning board	2,000	1,961	1,365	596
	<u>122,800</u>	<u>120,745</u>	<u>213,958</u>	<u>(93,213)</u>
Public Works:				
Drains	2,000	2,000	1,520	480
Highways and streets	55,715	58,631	58,631	0
Water department	1,000	1,000	733	267
Weed enforcement	500	500	390	110
	<u>59,215</u>	<u>62,131</u>	<u>61,274</u>	<u>857</u>
Recreation and Culture:				
Parks and recreation	2,000	2,000	1,600	400
Other:				
Pension	23,500	23,200	21,597	1,603
Insurance	31,000	39,300	39,272	28
Social security/Medicare	18,000	18,000	15,256	2,744
Employee health insurance supplement	12,600	12,600	12,350	250
Miscellaneous	7,600	2,639	2,440	199
	<u>92,700</u>	<u>95,739</u>	<u>90,915</u>	<u>4,824</u>
Total Expenditures	<u>562,615</u>	<u>562,615</u>	<u>628,113</u>	<u>(65,498)</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	59,618	59,618
Other Financing Sources (Uses)				
Operating transfers out	<u>0</u>	<u>0</u>	<u>(30,180)</u>	<u>(30,180)</u>
Net Change in Fund Balance	0	0	29,438	29,438
Fund Balance - Beginning of year	<u>150,904</u>	<u>150,904</u>	<u>362,400</u>	<u>211,496</u>
Fund Balance - End of year	<u>\$150,904</u>	<u>\$150,904</u>	<u>\$391,838</u>	<u>\$240,934</u>

LASALLE TOWNSHIP

Water Lateral Receiving Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Year Ended March 31, 2005

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Special assessments	\$22,000	\$22,000	\$25,759	\$3,759
Interest	5,600	5,600	4,613	(987)
Other	0	0	2,950	2,950
Total Revenues	27,600	27,600	33,322	5,722
Expenditures				
Public works:				
Water main	60,000	60,000	2,185	57,815
Net Change in Fund Balance	(32,400)	(32,400)	31,137	63,537
Fund Balance - Beginning of year	184,260	184,260	185,653	1,393
Fund Balance - End of year	<u>\$151,860</u>	<u>\$151,860</u>	<u>\$216,790</u>	<u>\$64,930</u>

LASALLE TOWNSHIP

Special Voted Fire Department Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Year Ended March 31, 2005

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Taxes	\$107,900	\$107,900	\$110,779	\$2,879
Federal grants	69,850	69,850	49,863	(19,987)
Interest	1,500	1,500	1,195	(305)
Total Revenues	179,250	179,250	161,837	(17,413)
Expenditures				
Public safety:				
Fire department	80,270	80,270	91,549	(11,279)
Net Change in Fund Balance	98,980	98,980	70,288	(28,692)
Fund Balance - Beginning of year	184,828	184,828	186,502	1,674
Fund Balance - End of year	<u>\$283,808</u>	<u>\$283,808</u>	<u>\$256,790</u>	<u>(\$27,018)</u>

LASALLE TOWNSHIP

*South County Water Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Year Ended March 31, 2005*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Interest	\$3,000	\$3,000	\$4,044	\$1,044
Other:				
Water usage charges	22,800	22,800	0	(22,800)
Total Revenues	25,800	25,800	4,044	(21,756)
Expenditures				
Debt service:				
Principal	19,100	19,100	0	19,100
Interest and fiscal charges	3,700	3,700	0	3,700
Total Expenditures	22,800	22,800	0	22,800
Net Change in Fund Balance	3,000	3,000	4,044	1,044
Fund Balance - Beginning of year	343,856	343,856	341,335	(2,521)
Fund Balance - End of year	<u>\$346,856</u>	<u>\$346,856</u>	<u>\$345,379</u>	<u>(\$1,477)</u>

LASALLE TOWNSHIP

Lakeshore Area Sewer Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Year Ended March 31, 2005

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Special assessments	\$16,200	\$16,200	\$22,587	\$6,387
Interest and penalties	16,200	16,200	20,426	4,226
Debt service charge	43,320	43,320	43,860	540
Total Revenues	75,720	75,720	86,873	11,153
Expenditures				
Debt service:				
Principal	50,000	50,000	50,000	0
Interest and fiscal charges	38,625	38,625	39,295	(670)
Total Expenditures	88,625	88,625	89,295	(670)
Net Change in Fund Balance	(12,905)	(12,905)	(2,422)	10,483
Fund Balance - Beginning of year	346,505	346,505	347,391	886
Fund Balance - End of year	<u>\$333,600</u>	<u>\$333,600</u>	<u>\$344,969</u>	<u>\$11,369</u>

LASALLE TOWNSHIP

Water District 2002-27A Debt Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Year Ended March 31, 2005

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Special assessments	\$10,000	\$10,000	\$14,957	\$4,957
Interest	4,500	4,500	9,476	4,976
Total Revenues	14,500	14,500	24,433	9,933
Expenditures				
Debt service:				
Principal	10,000	10,000	10,000	0
Interest and fiscal charges	7,075	7,075	6,900	175
Total Expenditures	17,075	17,075	16,900	175
Net Change in Fund Balance	(2,575)	(2,575)	7,533	10,108
Fund Balance - Beginning of year	69,459	69,459	67,081	(2,378)
Fund Balance - End of year	<u>\$66,884</u>	<u>\$66,884</u>	<u>\$74,614</u>	<u>\$7,730</u>

LASALLE TOWNSHIP

*Nonmajor Governmental Funds
Combining Balance Sheet
March 31, 2005*

	Special Revenue Funds			
	Liquor Law Enforcement	Lighting	Foster Lane	Belleterre District No. 1
Assets				
Cash and cash equivalents	\$0	\$0	\$3,302	\$15,830
Cash with fiscal agent	0	0	0	0
Receivables:				
Accounts	0	0	0	0
Special assessments	0	0	0	0
Delinquent taxes	0	2,449	0	150
Due from other governments	0	9,123	0	2,400
Total Assets	<u>\$0</u>	<u>\$11,572</u>	<u>\$3,302</u>	<u>\$18,380</u>
Total Liabilities and Fund Balances				
Liabilities				
Due to other funds	\$0	\$11,572	\$0	\$0
Deferred revenue	0	0	0	0
Total Liabilities	0	11,572	0	0
Fund Balances				
Reserved for debt service	0	0	0	0
Unreserved	0	0	3,302	18,380
Total Fund Balances	<u>0</u>	<u>0</u>	<u>3,302</u>	<u>18,380</u>
Total Liabilities and Fund Balances	<u>\$0</u>	<u>\$11,572</u>	<u>\$3,302</u>	<u>\$18,380</u>

Allenhurst Road	Lakeshore Area Sewer Receiving	North Shores Drain O & M	North Shores Street Maintenance	North Shores Snow	Water District 1991-A
\$123	\$27,443	\$3,972	\$0	\$1,774	\$20,101
0	31,452	0	0	0	21,600
0	16,696	0	0	0	0
0	0	0	0	0	5,009
0	2,827	0	0	0	670
0	17,684	0	0	0	463
<u>\$123</u>	<u>\$96,102</u>	<u>\$3,972</u>	<u>\$0</u>	<u>\$1,774</u>	<u>\$47,843</u>
\$0	\$30,468	\$0	\$0	\$0	\$0
0	7,195	0	0	0	1,422
0	37,663	0	0	0	1,422
0	0	0	0	0	46,421
123	58,439	3,972	0	1,774	0
123	58,439	3,972	0	1,774	46,421
<u>\$123</u>	<u>\$96,102</u>	<u>\$3,972</u>	<u>\$0</u>	<u>\$1,774</u>	<u>\$47,843</u>

Debt Service Funds				Capital Projects Funds	
Water District 1991-B	Water District 1995-13B	Water District 1995-16A & 17A	Water District 1997-21A	Building and Improvement	Water District 2002-27A
(\$4,348)	\$46,202	\$128,090	\$38,544	\$28,172	\$1,965
5,710	0	0	0	0	0
0	0	0	0	0	0
3,043	9,050	49,667	21,739	0	0
0	0	1,430	0	0	0
577	1,730	6,415	1,637	0	0
<u>\$4,982</u>	<u>\$56,982</u>	<u>\$185,602</u>	<u>\$61,920</u>	<u>\$28,172</u>	<u>\$1,965</u>
\$0	\$0	\$0	\$0	\$0	\$0
1,712	8,072	27,151	17,391	0	0
1,712	8,072	27,151	17,391	0	0
3,270	48,910	158,451	44,529	0	0
0	0	0	0	28,172	1,965
3,270	48,910	158,451	44,529	28,172	1,965
<u>\$4,982</u>	<u>\$56,982</u>	<u>\$185,602</u>	<u>\$61,920</u>	<u>\$28,172</u>	<u>\$1,965</u>

=====

Total Nonmajor
Governmental
Funds

\$311,170
58,762

16,696
88,508
7,526
40,029

\$522,691

=====

\$42,040
62,943

104,983

301,581
116,127

417,708

\$522,691

=====

LASALLE TOWNSHIP

Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended March 31, 2005

	Special Revenue Funds			
	Liquor Law Enforcement	Lighting	Foster Lane	Belleterre District No. 1
Revenues				
Special assessments	\$0	\$11,572	\$0	\$2,550
State grants	2,582	0	0	0
Charges for services	0	0	0	0
Interest	0	0	25	77
Total Revenues	2,582	11,572	25	2,627
Expenditures				
Public safety	2,582	16,752	0	0
Public works	0	0	2,263	335
Debt service	0	0	0	0
Capital projects	0	0	0	0
Total Expenditures	2,582	16,752	2,263	335
Excess (Deficiency) of Revenues Over Expenditures	0	(5,180)	(2,238)	2,292
Other Financing Sources (Uses)				
Operating transfers in	0	5,180	0	0
Operating transfers out	0	0	0	0
Total Other Financing Sources (Uses)	0	5,180	0	0
Net Change in Fund Balances	0	0	(2,238)	2,292
Fund Balances - Beginning of year	0	0	5,540	16,088
Fund Balances - End of year	\$0	\$0	\$3,302	\$18,380

Allenhurst Road	Lakeshore Area Sewer Receiving	North Shores Drain O & M	North Shores Street Maintenance	North Shores Snow	Water District 1991-A
\$0	\$0	\$0	\$0	\$0	\$6,282
0	0	0	0	0	0
0	85,527	0	0	0	0
2	1,723	15	5	15	905
2	87,250	15	5	15	7,187
0	0	0	0	0	0
365	68,134	0	1,949	2,475	0
0	0	0	0	0	23,900
0	0	0	0	0	0
365	68,134	0	1,949	2,475	23,900
(363)	19,116	15	(1,944)	(2,460)	(16,713)
0	0	0	0	9	0
0	0	0	(9)	0	0
0	0	0	(9)	9	0
(363)	19,116	15	(1,953)	(2,451)	(16,713)
486	39,323	3,957	1,953	4,225	63,134
\$123	\$58,439	\$3,972	\$0	\$1,774	\$46,421

Debt Service Funds				Capital Projects Funds	
Water District 1991-B	Water District 1995-13B	Water District 1995-16A & 17A	Water District 1997-21A	Building and Improvement	Water District 2002-27A
\$1,332	\$953	\$28,494	\$4,367	\$0	\$0
0	0	0	0	0	0
0	0	0	0	0	0
417	1,029	6,593	2,279	200	0
1,749	1,982	35,087	6,646	200	0
0	0	0	0	0	0
0	0	0	0	0	0
11,750	25,924	59,374	18,839	0	0
0	0	0	0	0	446
11,750	25,924	59,374	18,839	0	446
(10,001)	(23,942)	(24,287)	(12,193)	200	(446)
0	0	0	0	25,000	0
0	0	0	0	0	0
0	0	0	0	25,000	0
(10,001)	(23,942)	(24,287)	(12,193)	25,200	(446)
13,271	72,852	182,738	56,722	2,972	2,411
\$3,270	\$48,910	\$158,451	\$44,529	\$28,172	\$1,965

=====

Total Nonmajor
Governmental
Funds

\$55,550
2,582
85,527
13,285

156,944

19,334
75,521
139,787
446

235,088

=====

(78,144)

30,189
(9)

30,180

=====

(47,964)

465,672

\$417,708

=====

LASALLE TOWNSHIP

Liquor Law Enforcement Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended March 31, 2005

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
State grants	\$2,586	\$2,586	\$2,582	(\$4)
Interest	10	10	0	(10)
Total Revenues	2,596	2,596	2,582	(14)
Expenditures				
Public safety	2,596	2,596	2,582	14
Net Change in Fund Balance	0	0	0	0
Fund Balance - Beginning of year	0	0	0	0
Fund Balance - End of year	\$0	\$0	\$0	\$0

LASALLE TOWNSHIP

Lighting Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended March 31, 2005

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Special assessments	\$11,590	\$11,590	\$11,572	(\$18)
Expenditures				
Public safety	16,790	16,790	16,752	38
Excess (Deficiency) of Revenues Over Expenditures	(5,200)	(5,200)	(5,180)	20
Other Financing Sources				
Operating transfer in	5,200	5,200	5,180	(20)
Net Change in Fund Balance	0	0	0	0
Fund Balance - Beginning of year	0	0	0	0
Fund Balance - End of year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

LASALLE TOWNSHIP

Foster Lane Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended March 31, 2005

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$50	\$50	\$25	(\$25)
Expenditures				
Public works	2,400	2,400	2,263	137
Net Change in Fund Balance	(2,350)	(2,350)	(2,238)	112
Fund Balance - Beginning of year	5,541	5,541	5,540	(1)
Fund Balance - End of year	<u>\$3,191</u>	<u>\$3,191</u>	<u>\$3,302</u>	<u>\$111</u>

LASALLE TOWNSHIP

Belleterre No. 1 Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended March 31, 2005

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Special assessments	\$2,550	\$2,550	\$2,550	\$0
Interest	75	75	77	2
Total Revenues	2,625	2,625	2,627	2
Expenditures				
Public works:				
Road maintenance	600	600	335	265
Net Change in Fund Balance	2,025	2,025	2,292	267
Fund Balance - Beginning of year	16,076	16,076	16,088	12
Fund Balance - End of year	<u>\$18,101</u>	<u>\$18,101</u>	<u>\$18,380</u>	<u>\$279</u>

LASALLE TOWNSHIP

Allenhurst Road Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended March 31, 2005

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$0	\$0	\$2	\$2
Expenditures				
Public works:				
Road maintenance	305	305	365	(60)
Net Change in Fund Balance	(305)	(305)	(363)	(58)
Fund Balance - Beginning of year	305	305	486	181
Fund Balance - End of year	<u>\$0</u>	<u>\$0</u>	<u>\$123</u>	<u>\$123</u>

LASALLE TOWNSHIP

Lakeshore Area Sewer Receiving Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended March 31, 2005

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for services	\$84,474	\$84,474	\$85,527	\$1,053
Interest and penalties	1,170	1,170	1,723	553
Total Revenues	85,644	85,644	87,250	1,606
Expenditures				
Public works:				
Operation and maintenance	34,702	34,702	17,200	17,502
Luna Pier charges	50,418	50,418	50,934	(516)
Total Expenditures	85,120	85,120	68,134	16,986
Net Change in Fund Balance	524	524	19,116	18,592
Fund Balance - Beginning of year	28,223	28,223	39,323	11,100
Fund Balance - End of year	<u>\$28,747</u>	<u>\$28,747</u>	<u>\$58,439</u>	<u>\$29,692</u>

LASALLE TOWNSHIP

North Shores Drain O & M Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended March 31, 2005

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$25	\$25	\$15	(\$10)
Expenditures				
Public works:				
Drains	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	25	25	15	(10)
Fund Balance - Beginning of year	<u>3,957</u>	<u>3,957</u>	<u>3,957</u>	<u>0</u>
Fund Balance - End of year	<u>\$3,982</u>	<u>\$3,982</u>	<u>\$3,972</u>	<u>(\$10)</u>

LASALLE TOWNSHIP

North Shores Street Maintenance Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended March 31, 2005

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Interest	\$12	\$12	\$5	(\$7)
Expenditures				
Public works:				
Road maintenance	1,965	1,965	1,949	16
Excess (Deficiency) of Revenues Over Expenditures	(1,953)	(1,953)	(1,944)	9
Other Financing Sources				
Operating transfer out	0	0	(9)	(9)
Net Change in Fund Balance	(1,953)	(1,953)	(1,953)	0
Fund Balance - Beginning of year	1,953	1,953	1,953	0
Fund Balance - End of year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

LASALLE TOWNSHIP

North Shores Snow Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended March 31, 2005

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Interest	\$50	\$50	\$15	(\$35)
Expenditures				
Public works:				
Snow removal	1,000	1,000	2,475	(1,475)
Excess (Deficiency) of Revenues Over Expenditures	(950)	(950)	(2,460)	(1,510)
Other Financing Sources				
Operating transfer in	0	0	9	9
Net Change in Fund Balance	(950)	(950)	(2,451)	(1,501)
Fund Balance - Beginning of year	4,200	4,200	4,225	25
Fund Balance - End of year	<u>\$3,250</u>	<u>\$3,250</u>	<u>\$1,774</u>	<u>(\$1,476)</u>

LASALLE TOWNSHIP

Water District 1991-A Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended March 31, 2005

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Special assessments	\$5,720	\$5,720	\$6,282	\$562
Interest	2,000	2,000	905	(1,095)
Total Revenues	7,720	7,720	7,187	(533)
Expenditures				
Debt service:				
Principal	20,000	20,000	20,000	0
Interest and fiscal charges	3,500	3,500	3,900	(400)
Total Expenditures	23,500	23,500	23,900	(400)
Net Change in Fund Balance	(15,780)	(15,780)	(16,713)	(933)
Fund Balance - Beginning of year	63,221	63,221	63,134	(87)
Fund Balance - End of year	<u>\$47,441</u>	<u>\$47,441</u>	<u>\$46,421</u>	<u>(\$1,020)</u>

LASALLE TOWNSHIP

Water District 1991-B Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended March 31, 2005

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Special assessments	\$6,200	\$6,200	\$1,332	(\$4,868)
Interest	500	500	417	(83)
Total Revenues	6,700	6,700	1,749	(4,951)
Expenditures				
Debt service:				
Principal	10,000	10,000	10,000	0
Interest and fiscal charges	1,350	1,350	1,750	(400)
Total Expenditures	11,350	11,350	11,750	(400)
Net Change in Fund Balance	(4,650)	(4,650)	(10,001)	(5,351)
Fund Balance - Beginning of year	9,429	9,429	13,271	3,842
Fund Balance - End of year	<u>\$4,779</u>	<u>\$4,779</u>	<u>\$3,270</u>	<u>(\$1,509)</u>

LASALLE TOWNSHIP

Water District 1995-13B Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended March 31, 2005

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Special assessments	\$10,000	\$10,000	\$953	(\$9,047)
Interest	1,400	1,400	1,029	(371)
Total Revenues	11,400	11,400	1,982	(9,418)
Expenditures				
Debt service:				
Principal	25,000	25,000	25,000	0
Interest and fiscal charges	719	719	924	(205)
Total Expenditures	25,719	25,719	25,924	(205)
Net Change in Fund Balance	(14,319)	(14,319)	(23,942)	(9,623)
Fund Balance - Beginning of year	75,544	75,544	72,852	(2,692)
Fund Balance - End of year	<u>\$61,225</u>	<u>\$61,225</u>	<u>\$48,910</u>	<u>(\$12,315)</u>

LASALLE TOWNSHIP

Water District 1995-16A & 17A Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended March 31, 2005

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Special assessments	\$24,300	\$24,300	\$28,494	\$4,194
Interest	6,200	6,200	6,593	393
Total Revenues	30,500	30,500	35,087	4,587
Expenditures				
Debt service:				
Principal	50,000	50,000	50,000	0
Interest and fiscal charges	9,374	9,374	9,374	0
Total Expenditures	59,374	59,374	59,374	0
Net Change in Fund Balance	(28,874)	(28,874)	(24,287)	4,587
Fund Balance - Beginning of year	181,810	181,810	182,738	928
Fund Balance - End of year	<u>\$152,936</u>	<u>\$152,936</u>	<u>\$158,451</u>	<u>\$5,515</u>

LASALLE TOWNSHIP

Water District 1997-21A Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended March 31, 2005

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Special assessments	\$5,400	\$5,400	\$4,367	(\$1,033)
Interest	2,600	2,600	2,279	(321)
Total Revenues	8,000	8,000	6,646	(1,354)
Expenditures				
Debt service:				
Principal	15,000	15,000	15,000	0
Interest and fiscal charges	3,889	3,889	3,839	50
Total Expenditures	18,889	18,889	18,839	50
Net Change in Fund Balance	(10,889)	(10,889)	(12,193)	(1,304)
Fund Balance - Beginning of year	56,549	56,549	56,722	173
Fund Balance - End of year	<u>\$45,660</u>	<u>\$45,660</u>	<u>\$44,529</u>	<u>(\$1,131)</u>

LASALLE TOWNSHIP

Building and Improvement Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Year Ended March 31, 2005

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$200	\$200	\$200	\$0
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	200	200	200	0
Other Financing Sources (Uses)				
Operating transfers in	<u>0</u>	<u>0</u>	<u>25,000</u>	<u>25,000</u>
Net Change in Fund Balance	200	200	25,200	25,000
Fund Balance - Beginning of year	<u>27,971</u>	<u>27,971</u>	<u>2,972</u>	<u>(24,999)</u>
Fund Balance - End of year	<u><u>\$28,171</u></u>	<u><u>\$28,171</u></u>	<u><u>\$28,172</u></u>	<u><u>\$1</u></u>

LASALLE TOWNSHIP

*Water District 2002-27A Capital Project Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance*

Year Ended March 31, 2005

	<u>Actual</u>
Revenues	\$0
Expenditures	
Capital projects	<u>446</u>
Net Change in Fund Balance	(446)
Fund Balance - Beginning of year	<u>2,411</u>
Fund Balance - End of year	<u><u>\$1,965</u></u>

LASALLE TOWNSHIP

Agency Funds
Statement of Changes in Assets and Liabilities
March 31, 2005

	<u>Tax Collection</u>	<u>Water Tap Fee</u>	<u>Water Bill</u>	<u>Totals</u>
Assets				
Cash	<u>\$246,850</u>	<u>\$13,165</u>	<u>\$23</u>	<u>\$260,038</u>
Total Assets	<u><u>\$246,850</u></u>	<u><u>\$13,165</u></u>	<u><u>\$23</u></u>	<u><u>\$260,038</u></u>
Liabilities				
Due to other funds	\$243,999	\$0	\$0	\$243,999
Due to other governments	0	13,165	23	13,188
Due to others	<u>2,851</u>	<u>0</u>	<u>0</u>	<u>2,851</u>
Total Liabilities	<u><u>\$246,850</u></u>	<u><u>\$13,165</u></u>	<u><u>\$23</u></u>	<u><u>\$260,038</u></u>

LASALLE TOWNSHIP

Agency Funds

Statement of Changes in Assets and Liabilities

March 31, 2005

	Balance March 31, 2004	Additions	Deductions	Balance March 31, 2005
Tax Collection Fund				
Assets				
Cash	\$251,687	\$3,576,536	\$3,581,373	\$246,850
Liabilities				
Due to other funds	\$250,090	\$299,765	\$305,856	\$243,999
Due to other governments	0	3,271,739	3,271,739	0
Due to others	1,597	5,032	3,778	2,851
Total Liabilities	\$251,687	\$3,576,536	\$3,581,373	\$246,850
 Water Tap Fee Fund				
Assets				
Cash	\$11,475	\$18,625	\$16,935	\$13,165
Liabilities				
Due to other governments	\$11,475	\$18,625	\$16,935	\$13,165
 Water Bill Fund				
Assets				
Cash	\$23	\$65,900	\$65,900	\$23
Delinquent taxes receivable	88	0	88	0
Total Assets	\$111	\$65,900	\$65,988	\$23
Liabilities				
Due to other governments	\$111	\$65,900	\$65,988	\$23
 TOTALS - ALL AGENCY FUNDS				
Assets				
Cash	\$263,185	\$3,661,061	\$3,664,208	\$260,038
Delinquent taxes receivable	88	0	88	0
Total Assets	\$263,273	\$3,661,061	\$3,664,296	\$260,038
Liabilities				
Due to other funds	\$250,090	\$299,765	\$305,856	\$243,999
Due to other governments	11,586	3,356,264	3,354,662	13,188
Due to others	1,597	5,032	3,778	2,851
Total Liabilities	\$263,273	\$3,661,061	\$3,664,296	\$260,038



COOLEY HEHL
WOHLGAMUTH & CARLTON
P. L. L. C. Certified Public Accountants

James R. Cooley, CPA
David K. Hehl, CPA
Robert W. Wohlgamuth, CPA
Peter H. Carlton, CPA
Matthew D. Hehl, CPA
Deborah A. Sabo, CPA

One South Monroe Street • Monroe, Michigan 48161-2281
Telephone: (734) 241-7200 • Fax: (734) 241-2637
www.chwccpa.com

Members:
American Institute of Certified Public Accountants
Michigan Association of Certified Public Accountants
Division for CPA Firms American Institute of
Certified Public Accountants

Township Board
LaSalle Township
Monroe County, Michigan

Report of Comments and Recommendations

Board Members:

During our recent audit of the financial statements of LaSalle Township, as of March 31, 2005, we noted some areas which we felt warranted comment. As part of our engagement and in service to the Township we feel that we should make comments and recommendations which the Board may consider. We remind you that our review was in the course of our audit engagement and was not a detailed systems analysis.

New Reporting Model

For the fiscal year ending March 31, 2005, the Township implemented GASB No. 34. This new reporting model created new financial statements and has a new section entitled *Management's Discussion and Analysis*, which is written by the Township, is a narrative introduction, overview, and analysis of the current year activity.

Budgets

The Township adopts a budget for each fund at the beginning of the fiscal year. Throughout the fiscal year, the budget needs to be amended to allow for expenditures that are higher than originally anticipated and for unexpected expenditures.

Lakeshore Area Sewer Receiving Fund

This fund still has a debt to another fund of \$30,468. User charges in this fund need to continue to be reviewed to assure that the current expenses are met and sufficient cash is generated to pay back monies that were borrowed.

If you have any questions regarding the audit report or this letter, please contact us. We are available to meet with you at your convenience. It has been a pleasure to be of service to you and we appreciate the cooperation which we received during the audit.

Very truly yours,

June 16, 2005